

1 CPES IS GOING FROM 26 TO 24 PAY PERIODS JANUARY 1, 2012.

Pay Dates are the 10th and the 25th

2 WHAT DOES THIS MEAN TO YOU?

a. Same annual salary, just more pay in your paycheck:

- 1) A full time employee at \$8.00 an hour makes \$16,640 a year.

Pay Periods:	26	24	Plus \$53.00 per pay check (before taxes)
	\$640	\$693	

- 2) Do your own math to determine how much the change will affect you.

Your annual pay: _____

Divide your annual pay by 24: _____

Divide your annual pay by 26: _____

Difference: _____ Gross (before taxes) pay increase.

b. Dates related to pay will change.

- 1) **Pay periods** - the new schedule can be found on the K-drive: PAYROLL AND HOLIDAY SCHEDULES
- 2) **Time sheet due dates** - once the dates are identified, the website will be updated
- 3) **Pay dates** - the 10th and the 25th of each month

c. Deductions from your paycheck based on a percentage of pay will change. Examples include:

- 1) 401K (if you elected a percentage to be deducted and NOT a flat dollar amount.
- 2) Federal and/or state deductions
- 3) After your direct deposit, dollars going into other accounts (if you have other accounts designated)

3 WHAT DOES THIS MEAN TO CPES?

a. Improve our cash flow

- 1) 26 pay periods means that there are at least two months when we have three pay periods, requiring a lot of cash.
- 2) 24 pay periods means that each month only has two pay periods, allowing us to better manage our cash flow.

b. CPES runs more efficiently

Just like with your personal finances, CPES needs to know how much money is coming in and going out so we can meet our obligations, including pay to our employees and our regular ongoing expenses needed to provide quality services to our consumers.

c. Our ESOP may benefit as well

The value of CPES stock is determined by a valuation firm using a process called the "Discounted Cash Flow" method. Smoothing out our cash flow strengthens CPES' finances, and, in turn, benefits our ESOP.

4 WHAT'S NEXT?

a. Check your deductions

- 1) You need to review your pay check deductions set-up as a percentage of your pay.
- 2) Determine if you need to change the percentage.
- 3) If you need to change the percentage, contact the appropriate agency.

b. Wrapping-up 2011

- 1) Regular pay period: 12/04/11 - 12/17/11 Pay date of 12/23/11
- 2) **Short pay period: 12/18/11 - 12/31/11 Pay date of 1/10/12**
- 3) Pay dates will be on the 10th and 25th of each month

c. The 2012 pay period schedule is available on the K-drive:

Payroll and Holiday Schedules

K:\Payroll & Holiday Schedules\2012